

December 7, 2006

State Water Resources Control Board
ATT: Ms. Tracie Billington
1001 I Street
Sacramento, CA 95814

**RE: Tahoe Regional Planning Agency (TRPA) Comments on
SWRCB/DWR Draft Funding Recommendations**

Dear Ms. Billington:

Thank you for the opportunity to comment on the State Water Resources Control Board (SWRCB) and Department of Water Resources (DWR) Draft Funding Recommendations for allocation of Integrated Regional Water Management Program (IRWMP) implementation grant funds.

As we understand from attending the Public Hearing on this program held November 16, 2006, there is approximately \$180 million remaining for allocation by the SWRCB under Proposition 50. In addition, as the California voters approved Proposition 84, there is approximately an additional \$1 billion for the IRWM Grant Program. Due to the lengthy, expensive and arduous process of applying for IRWMP grant funds, TRPA suggests that DWR and SWRCB award the remaining nine grant applications from the 2006 grant cycle with the \$180 million still remaining in Proposition 50. This would benefit the state in the following ways:

- The critical capital improvement and water quality projects the remaining nine applicants have designed would not be forced to wait for another funding cycle to implement their projects. While these projects were successful in meeting the criteria for consideration in Step 2 of the funding process, they could not compete with larger municipalities primarily located in southern California and the Bay Delta. Immediately awarding the funds for applications that have all ready been reviewed would benefit the residents of the respective jurisdictions and meet the intent of Proposition 50 to improve statewide water infrastructure in a timely manner.
- The IWRMP grant application process designed by DWR and SWRCB was an extremely expensive and time consuming process, placing significant staffing and budgetary burdens upon those agencies applying

for funds. The agencies involved in applying for this most recent IRWMP cycle dedicated extensive fiscal, administrative and public works staff time in the preparation of the application, all at taxpayer expense. Rather than duplicate the application process, wasting more public dollars and valuable time in the preparation of a whole new document, TRPA encourages SWRCB and DWR to recognize the investment made and fund those applications it has in hand. This would also decrease the burden placed on staff at DWR and SWRCB by allowing them to process applications that have already been reviewed and commented on.

- This process would allow those jurisdictions still struggling to develop project applications additional time to formulate competitive proposals that meet the intent of the funding. This comment was made quite often by jurisdictions attending the November 16th public hearing in Sacramento who had received planning funds from the IRWMP grant, but had not yet prepared an implementation grant.

TRPA and its partner agencies in the Tahoe Sierra IRWM Group were among those invited to submit a grant proposal in Proposition 50's second funding phase. However, the Group's IRWM proposal was not recommended for funding. The Group noticed that \$150M of the \$175M awarded was allocated to metropolitan cities and counties primarily in Los Angeles and the Bay Delta. While we recognize these highly populated areas of the state qualify as Statewide Priorities due to their extreme water quality supply and infrastructure needs, both areas received "earmarks" from Proposition 50 and Proposition 84. The IWRMP funding was one of the few sections within Proposition 50 that allowed for competitive funding on a statewide basis. It is difficult for rural counties to compete if priorities continue to favor metropolitan areas. There are approximately 22 California counties with resident populations of less than 100,000. The needs of these rural cities and counties should not be made secondary because of their limited population. We believe it is the voters' expectation that Proposition 50 and 84 funding commitments be dispersed equitably throughout the state.

In closing, as referred above, the Step 1 and Step 2 application processes were very extensive in their requirements, necessitating a substantial investment in staff hours and resources. To compensate, many applicants hired outside consultants to alleviate the heavy work burden and designate a full-time lead manager to direct, organize, and prepare their proposals. We believe that in the development of the application process, an unintended consequence was created where partnerships having financial resources available to commit to outside assistance gained a competitive advantage. (For instance, all of proposals recommended for this round of Prop 50 funding were prepared by outside consultants). If this type of application process were to continue, smaller partnerships and/or rural partnerships would continue to be put at a disadvantage, regardless of the strength of their collection of projects, simply due

to the inability of in-house staff to commit hours and resources comparable with those of larger and better-funded partnerships. For future funding rounds, we would support a more streamlined and direct application process, similar to that designed for the Consolidated Grants Program, to allow small and/or rural partnerships to compete on a more level playing field.

TRPA urges staff at DWR and SWRCB to seriously consider the recommendations contained herein. We look forward to your decision.

Very truly yours,

Ellery Foster
Senior Environmental Specialist
Erosion Control Team
Tahoe Regional Planning Agency